

## City of Annapolis

### FY 2005 - FY 2010 Capital Improvements Program

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#### Introduction:

The Capital Improvements Program (CIP) is a projection of the City's capital investments plan for a six-year period. Capital investments involve major City projects which normally have long, useful lives. Projects included in the CIP usually fall into one of the following four categories:

1. Acquisition of land for a public purpose.
2. The construction of a significant facility, road or an addition to an existing facility.
3. Non-recurring rehabilitation or major repair to all or part of a facility.
4. Any specific planning, engineering study or design work related to a project that falls in the above three categories.

The recommended CIP includes six years of projected capital needs. The first year of the program will become the capital budget for which project money will be authorized. The remaining five years of the CIP will serve as a financial plan for capital investments. The financial plan will be reviewed each year as the CIP is updated and prepared.

#### Financing the Capital Budget:

The following funding sources are used to finance the projects presented in the CIP:

- *General Obligation Bonds* - Bonds are the primary source of funding by which capital projects are financed.
- *State Grants* - The City receives state grants for various capital projects, including roads, community facilities, buses and dock repairs .
- *Federal Grants* - Usually for transportation related capital projects, such as the new bus fleet.
- *AA Co. Contributions* - Contributions from Anne Arundel County for projects that serve the need of both City and County residents, usually roads.
- *Contributions* - Funds contributed to a project by a local business or special interest group. This includes developer contributions, which are payments by developers for capital facilities that enhance their property.
- *Community Development Block Grant (CDBG) Funds* - Federal grant funds primarily used to facilitate the production and preservation of low and moderate income housing.
- *Capital Facilities Assessments (CFA)* - A source of funding for Water and Wastewater projects only, these are user fees in the form of connection charges and annual assessments.
- *Operating Funds* - Next to general obligation bonds, operating funds are the largest source of funding for capital projects. In the adopted FY 2005 General Fund operating budget, \$884,000 has been budgeted as a pay-as-you-go transfer to the Capital Improvements Program.

**City of Annapolis**  
**FY 2005 - FY 2010 Capital Improvements Program**

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**Relationship Between the Operating and Capital Budget:**

The Operating and Capital budgets of the City of Annapolis have a direct relationship. The cost of operations and maintenance of a new capital project will need to be absorbed in the operating budget. Whenever a capital project is brought on line, operating costs are incurred.

The Operating Budget for the City is for costs associated with providing on-going services to citizens. Some of these operating costs are for salaries, professional services, maintenance costs, supplies and operating capital items. Revenues for the operating budget are generally from taxes, intergovernmental sources and user fees.

The Capital Budget includes expenditures for major capital programs which add to the capital assets for infrastructure of the City. These programs are long-term in nature (over one year) and are usually financed on a long-term basis. The long-term financing is associated with a commitment of operating funds. For example, if twenty year bonds are issued to finance capital needs, the operating funds will need to budget debt service payments for the next two decades. For this reason, it is important to evaluate capital commitments in the context of their long-range operating impact.

**Capital Improvement Program Fund Totals**  
**FY 2004 - FY 2009**

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<i><b>Fund</b></i>	<i><b>FY 2004 Adopted</b></i>
General	76,222,250
Water	5,510,230
Sewer	7,505,000
Off Street Parking	33,779,000
Dock	749,000
Market	933,000
Transportation	492,000
<b>Total</b>	<b>\$125,190,480</b>

The table above, and also the following table, include project capital costs only, and do not include costs for debt service or operating and maintenance costs.

**Capital Improvements Program Summary by Fund  
FY 2004 - FY 2010**

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<i>Fund by Project Number and Name</i>	<i>Total Amount</i>
<i>General Fund:</i>	
#114 Porter Drive Outfall Repair	449,000
#120 Drainage Pipe Lining	95,000
#205 Eastport Fire Station	2,330,000
#220 Police Department Renovation	10,370,000
#340 Truxtun Park Improvements	560,000
#343 Playground Construction	300,000
#344 Bates Athletic Complex Improvements	80,000
#345 Athletic Field Irrigation	270,000
#348 Poplar Avenue Trail	138,310
#349 Back Creek Nature Park Improvements	655,000
#514 Recreation Center	11,700,000
#402 Edgewood Road Improvements	2,353,000
#433 West Street Revitalization	13,221,410
#449 Forest Drive Sidewalks & Road Construction	2,588,000
#452 Coordinated Traffic Signal Control System	1,063,000
#453 Eastport Street Improvements	318,000
#454 Fleet and Cornhill St. Reconstruction	2,500,000
#455 Smithville and Russell St. Improvements	1,200,000
#456 Greenfield Street Relocation	644,000
#457 Gateway Enhancements	8,810,000
#458 Forest Drive Enhancements	2,600,000
#558 Vehicle Replacement Program	5,706,770
#584 Information Technology Program	1,595,760
#585 Office Space Acquisition	5,325,000

**Capital Improvements Program Summary by Fund  
FY 2004 - FY 2010**

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<i>Fund by Project Number and Name</i>	<i>Total Amount</i>
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*General Fund - Continued:*

#645 Annapolis Maritime Museum	1,300,000
#646 Mount Olive Community Center	50,000
<b>Total</b>	<b>76,222,250</b>

*Water Fund:*

#709 Weems Creek Bridge WM	313,650
#710 Spa Creek Waterline	890,000
#711 Emergency Water Connections	120,000
#713 Water Tank Rehabilitation	747,500
#937 Water Storage Tank	2,391,080
#942 Clear Well Replacement	1,048,000
<b>Total</b>	<b>5,510,230</b>

*Sewer Fund:*

#705 Second Street Force Main	1,213,000
#706 Pump Station Replacements	1,352,000
#998 Sewer Rehabilitation	4,940,000
<b>Total</b>	<b>7,505,000</b>

*OSP Fund:*

#703 Park Place Garage	25,375,000
#999 Knighton Garage	8,404,000
<b>Total</b>	<b>33,779,000</b>

**Capital Improvements Program Summary by Fund  
FY 2004 - FY 2010**

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- continued -

<i><b>Fund by Project Number and Name</b></i>	<i><b>Total Amount</b></i>
<i>Dock Fund:</i>	
#712 DNR Facility	250,000
#994 Boating Facilities Improvements	499,000
<b>Total</b>	<b>749,000</b>
<i>Market Fund:</i>	
#933 Market House Renovations	933,000
<b>Total</b>	<b>933,000</b>
<i>Transportation Fund:</i>	
#997 Intelligent Transportation System	492,000
<b>Total</b>	<b>492,000</b>
<b>Grand Total</b>	<b>125,190,480</b>

## Capital Improvements Program Funding Summary by Program Area

(In Thousands)

<i>Department and Source of Funding</i>	<i>Total Amount</i>	<i>Prior Years</i>	<i>FY 2005</i>	<i>FY 2006</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>6 Year Total</i>
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*Storm Drains:*

Operating Funds	297	297							0
Non City Funds	247	247							0
<b>Total</b>	<b>544</b>	<b>544</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Public Safety:*

Bond Funds	9,637	5,680	1,227	950	1,780				3,957
Operating Funds	813	763				50			50
Non City Funds	2,250		2,250						2,250
<b>Total</b>	<b>12,700</b>	<b>6,443</b>	<b>3,477</b>	<b>950</b>	<b>1,780</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>6,257</b>

*Recreation:*

Bond Funds	11,095			11,095					11,095
Operating Funds	1,581	987	64	70	20	245		195	594
Non City Funds	1,028	368	250	250	85			75	660
<b>Total</b>	<b>13,703</b>	<b>1,354</b>	<b>314</b>	<b>11,415</b>	<b>105</b>	<b>245</b>	<b>0</b>	<b>270</b>	<b>12,349</b>

*Roadways:*

Bond Funds	16,099	10,309	665	310	2,215	2,600			5,790
Operating Funds	7,819	7,109		220	270	220			710
Non City Funds	11,379	1,050	394		6,685	3,250			10,329
<b>Total</b>	<b>35,297</b>	<b>18,468</b>	<b>1,059</b>	<b>530</b>	<b>9,170</b>	<b>6,070</b>	<b>0</b>	<b>0</b>	<b>16,829</b>

*General Government:*

Bond Funds	6,115		3,090	3,025					6,115
Operating Funds	4,206	236	820	650	600	700	600	600	3,970
Non City Funds	3,657	50		2,050		1,557			3,607
<b>Total</b>	<b>13,978</b>	<b>286</b>	<b>3,910</b>	<b>5,725</b>	<b>600</b>	<b>2,257</b>	<b>600</b>	<b>600</b>	<b>13,692</b>

*Water:*

Bond Funds	3,752		1,573	2,179					3,752
Operating Funds	1,698	577	10	576	252	284			1,121
Non City Funds	60			60					60
<b>Total</b>	<b>5,510</b>	<b>577</b>	<b>1,583</b>	<b>2,815</b>	<b>252</b>	<b>284</b>	<b>0</b>	<b>0</b>	<b>4,933</b>

## Capital Improvements Program Funding Summary by Program Area

(In Thousands)  
- continued -

<i>Department and Source of Funding</i>	<i>Total Amount</i>	<i>Prior Years</i>	<i>FY 2005</i>	<i>FY 2006</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>6 Year Total</i>
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*Wastewater:*

Bond Funds	6,153				3,905	2,248			6,153
Operating Funds	1,352	447	447		458				905
<b>Total</b>	<b>7,505</b>	<b>447</b>	<b>447</b>	<b>0</b>	<b>4,363</b>	<b>2,248</b>	<b>0</b>	<b>0</b>	<b>7,058</b>

*Off Street Parking:*

Bond Funds	8,334	8,334							0
Operating Funds	70	70							0
Non City Funds	25,375	25,375							0
<b>Total</b>	<b>33,779</b>	<b>33,779</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Dock:*

Operating Funds	99	99							0
Non City Funds	650		250	400					650
<b>Total</b>	<b>749</b>	<b>99</b>	<b>250</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650</b>

*Market:*

Bond Funds	853		853						853
Operating Funds	80	80							0
<b>Total</b>	<b>933</b>	<b>80</b>	<b>853</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>853</b>

*Transportation:*

Operating Funds	50	25		25					25
Non City Funds	442	221		221					221
<b>Total</b>	<b>492</b>	<b>246</b>	<b>0</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>246</b>

***Total Funding:***

Bond Funds	62,038	24,323	7,408	17,559	7,900	4,848	0	0	37,715
Operating Funds	18,064	10,689	1,341	1,541	1,600	1,499	600	795	7,375
Non City Funds	45,088	27,311	3,144	2,981	6,770	4,807	0	75	17,777
<b>Grand Total</b>	<b>125,190</b>	<b>62,323</b>	<b>11,893</b>	<b>22,081</b>	<b>16,270</b>	<b>11,154</b>	<b>600</b>	<b>870</b>	<b>62,868</b>